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Report to the
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REPORT TO THE GOVERNOR & CITIZENS

STATE OF MONTANA

DEPARTMENT OF LABOR AND INDUSTRY

JANUARY 1991

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DEPARTMENT OF LABOR AND INDUSTRY

COMMISSIONER'S OFFICE

STAN STEPHENS, GOVERNOR

P.O.BOX 1728

STATE OF MONTANA

(406) 444-3555

HELENA, MONTANA 59624

To the Governor and Citizens of Montana:

Two years ago, Montana was given a new direction that was aimed at change. The changes that were put forth sent the message that Montana could no longer afford to do "business as usual". The staff of the Department of Labor and Industry takes this charge seriously, as well as their commitment to quality public service.

The early months of 1989 were spent evaluating programs and analyzing service delivery in an effort to develop an organizational structure that was more meaningful, less cumbersome and one that responded to significant legislative changes. This not only resulted in a notable realignment of programs but consolidated agency personnel into three facilities from the previous four locations.

Perhaps the most meritorious changes that took place are those that are difficult to measure or place on paper. The most important changes involve a renewed staff vision dedicated to:

-customer needs and satisfaction,

-creating an environment for continued improvement,

-empowering staff, individually and in teams, to make decisions, and

-increasing teamwork and employee participation.

As a result, a new sense of agency ownership and individual pride is now driving us to provide quality services to our customers.

It is my pleasure to report to you on our progress. We have by no means achieved the level of service which we hope to attain. But our efforts, to date, are evidence of heeding the message toward change and are an investment in the excellence we plan to reach over the next two years .... and into the future.

Sincerely,

Mike Micone

MIKE MICONE
Commissioner

MM:ka

"AN EQUAL OPPORTUNITY EMPLOYER"

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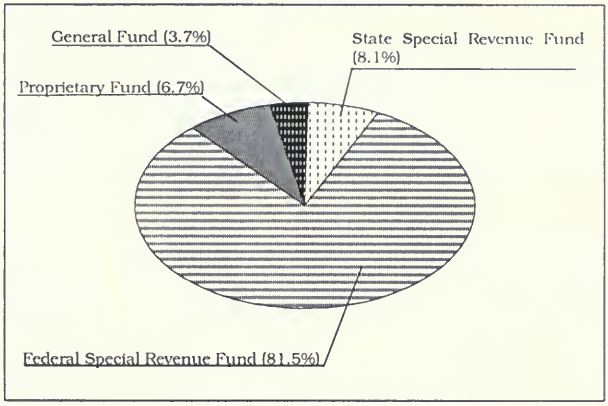
THE DEPARTMENT OF LABOR AND INDUSTRY

The **Montana Department of Labor and Industry** operates as a part of a national employment, unemployment insurance benefits and training system that assists individuals in preparing for and finding jobs, assists employers finding workers and assists workers with benefits if they are temporarily unemployed through no fault of their own.

Additionally, the department enforces state and federal labor standards, enforces state and federal health-safety laws, conducts research and collects statistics that enables strategic planning and provides adjudicative services in labor-management disputes.

Because the department operates as part of a federal employment and training network a significant portion of the operating budget is federally funded. The following chart and table denote the department's funding sources in FY 1990:

General Fund	$ 1,326,425
State Special Revenue Fund	2,928,127
Federal Special Revenue Fund	29,373,870
Proprietary Fund	2,415,158
Total	$36,043,580



OUR MISSION

The purpose of the Department of Labor and Industry is to promote the well-being and opportunities of Montana's workers and employers, and to uphold the rights and responsibilities of both.

In pursuing our mission, we have recognized that to achieve the optimum level of service to the public we must value and encourage the imagination and commitment of staff and give them a meaningful voice in the governance of this organization.

Our vision is to continually improve service to the public and individual job satisfaction by focusing on:

- Customer needs and satisfaction;
- Creating an environment for continual improvement;
- Empowering staff, individually and in teams, to make decisions which effect them; and
- Increasing teamwork and employee participation.

SIGNIFICANT BIENNIUM CHANGES

Over the past 18 months, there have been many progressive changes within the department. Each department division has made a considerable effort toward changing attitudes and the way in which they approach service delivery to the public. Those divisional changes are highlighted at the end of each divisional report.

The changes that are mentioned below are those that came about as a result of legislative change, executive initiative, or departmental cooperation and coordination and have an effect broader than the scope of a specific division.

Privatization of JTPA Administrative Entity

Effective FY91 the Private Industry Councils (PIC), which have program oversight over a portion of the Job Training Partnership Act (JTPA), entered into an agreement with Montana Job Training Partnership, Inc. (MJTP) to provide independent administrative services. Previously, the department had acted as the administrative entity for the PIC's.

The effect of this privatization effort was to decrease the number of direct administrative staff within the department by 10 and approximately $870,000 in federal authority, which were transferred to MJTP.

Job Training Coordination Contracts with SRS

Due to duplicity, implementation of the Job Opportunities and Basic Skills (JOBS) program will allow for the sunset of the New Horizons and Day Care programs. Sunset of these programs will result in a reduction of 4 FTE, $196,000 in general fund revenue and $2.3 million in federal authority.

Likewise, the JOBS program will allow for enhanced budget efficiencies with the Project Work Program (PWP). Under the new alignment, the department will contract with SRS for the delivery of job training programs to serve AFDC, General Assistance and Food Stamp recipients using U.I. administrative tax revenue. This procedure will enable SRS to save approximately $360,000 in general fund.

Reorganization of Workers' Compensation

Pursuant to SB 428, effective January 1, 1990 the old Workers' Compensation Division of the department was transferred to the State Compensation Mutual Insurance Fund (SCMIF).

The purpose of the separation was to remove the inherent conflict between the regulatory function versus the sale of state compensation insurance and to enhance the ability of the program to operate more efficiently.

The resulting reorganization had a more far-reaching effect than simply transferring a previous division to a new entity. Because of the Workers' Compensation Divisions' sheer size, its institutionalized presence, and its intertwining effect on other department divisions a departmental review was necessary.

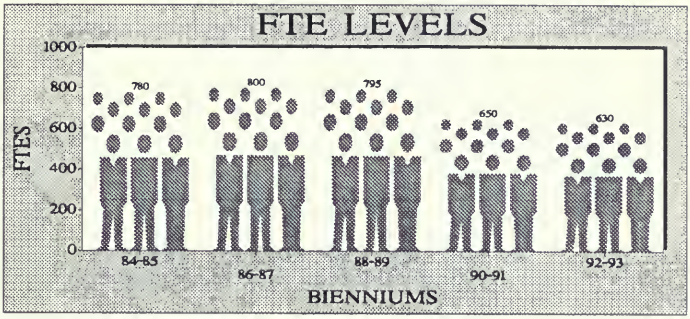
The purpose of the review was three-fold: (1) to review all functions of the department with emphasis on service delivery and program efficiency, (2) to develop organizational alternatives, and (3) to develop recommendations for a new, improved organizational structure which better defined the new scope of the departments statutory responsibilities.

As a result, a new organizational structure (a copy of new organizational chart at the end of this section) was necessary with the following major changes being implemented:

* 175 FTE were transferred to the SCMIF.
* 63.25 FTE were retained by the department to deliver and enhance the regulatory functions of the agency as intended in SB 428 and were spread across several existing and newly created or modified divisions.
* The Workers' Compensation Court (8 FTE) was transferred from the Department of Administration to this department.
* To enable program integrity, a Legal Division was created which consolidated various attorney and hearings function positions.
* The Safety Bureau was transferred to the Research, Safety & Training Division (formally Employment Policy Division).

The following bar graph depicts the effect of the

changes in FTE levels over previous bienniums. The changes that have taken place resulted in a leaner, more service focused Department of Labor and Industry.



Audit Bureau Deconsolidation

Primarily as a result of the reorganization the Audit Bureau was deconsolidated. The bureau's 23 FTE and $820,000 annual budget were divided as follows: 40% (9 FTE) to the SCMIF, 50% (11 FTE) to the U.I. Division and 10% (3 FTE) to the Employment Relations Division.

At the request of the governor, an interagency agreement was executed that will allow audit program coordination to the fullest extent. The agreement is intended to minimize duplicate audits and burdens on employers. This agreement involved the Department of Labor and Industry, the SCMIF, and the Department of Revenue.

QUALITY MANAGEMENT

The department has embarked on a program to implement quality management throughout the agency. Known around the country and the world as "total quality management", or TQM, this management approach produces great increases in customer satisfaction, productivity, and satisfaction of the work force. Using concepts proven to be highly effective in organizations both in Japan and in the United States, the department is taking the lead in pioneering this management approach in the public sector.

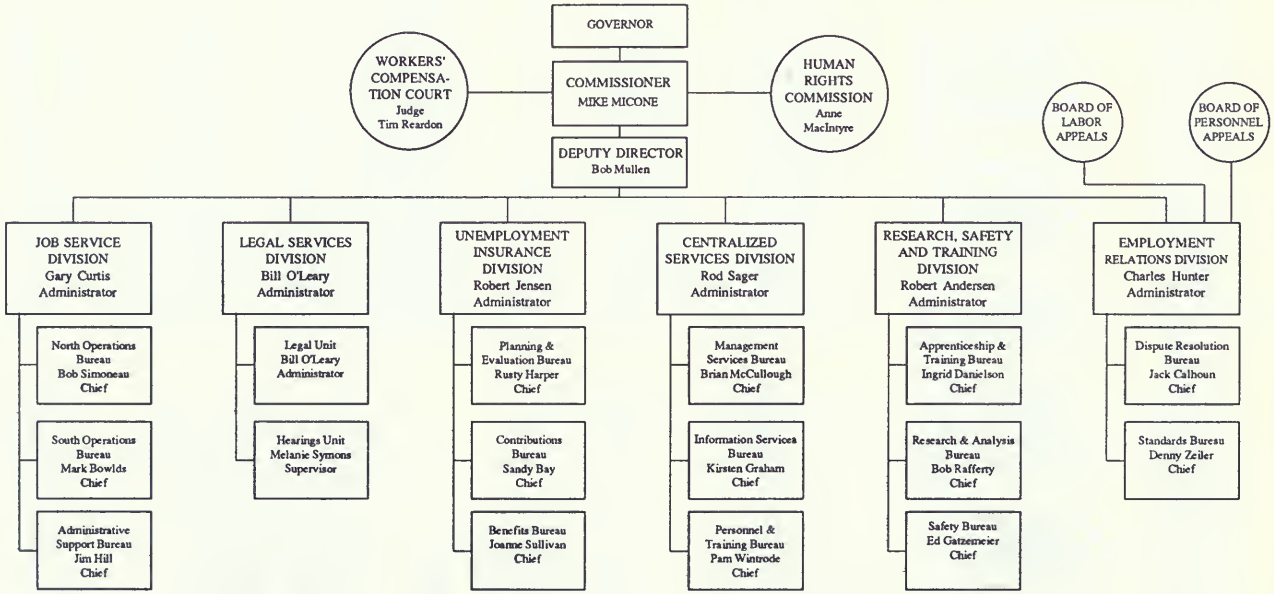
Quality management emphasizes four critical concepts: (1) providing superior customer service by recognizing that customers must define the quality of service or product they need; (2) creating a work environment where continual improvement of services and systems is expected and delivered; (3) empowering staff to make decisions which effect them and to act in providing services to customers; and (4) to increase to a very high level the amount of employee involvement and teamwork in the organization.

Quality management is far from being a mere program or system. It seeks to develop a "culture" of quality in an organization; a culture in which customers needs are anticipated and met, where people do the right thing routinely, where change is planned and managed, and where people throughout the organization feel ownership and a sense of pride in their work.

The Department of Labor and Industry began this project by instituting at least one quality management pilot project in each of the divisions. Department management have received introductory training in the concepts, and a team has been established to develop a quality curriculum which will provide comprehensive training to all department staff.

Experience in the private sector shows that a cultural change of this magnitude takes years to fully implement. However, the department has already seen some very positive and significant changes in the few months since the project was initiated, and the pace of change will likely accelerate in the years ahead. Strategic work plans with a quality emphasis are being developed in each division which will further sharpen the department's efforts to become the quality leader in state government.

DEPARTMENT OF LABOR AND INDUSTRY



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Judge Tim Reardon
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Human Rights Commission
1236 East 6th Avenue
Helena, MT 59624
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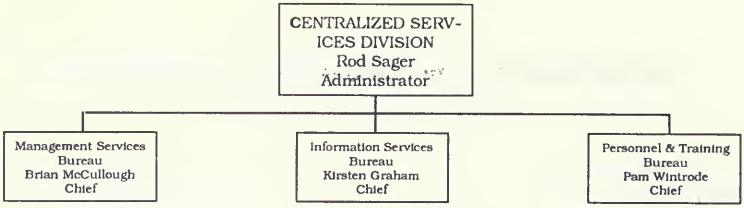
CENTRALIZED SERVICES DIVISION



Recent Changes

- Undertaken an initiative to develop formalized standards to define the desired outcomes of key bureau products and service functions.
- Determining the need and planning for and supporting the growth in local area networks (LANs) necessary to meet staff demands.
- Assisting in the development of an affordable mainframe system that will replace the present obsolete Job Service system.
- Development of an inter-divisional combined database that will increase responsiveness while eliminating data duplicity.
- Improvement of fiscal cooperation with SRS.
- Developing new methods for preparing Workers' Compensation Assesment Report that will minimize cash flow problems to the department.
- Developing and initiative to share client training instructors, equipment, and facilities with SRS.

Overview

The **Centralized Services Division** provides central support services to all programs in the department. These services are provided through an organizational structure consisting of three bureaus:

The **Information Services Bureau** provides the department with programming, management support and basic information services for the entire network of computer systems, including mainframe and personal computers. This includes not only the Helena-based central office but the statewide Job Service computer system of 23 local offices across Montana which use the system to maintain job order and applicant information for employers and job seekers. The statewide system additionally services citizens inquiring about unemployment information.

The **Management Services Bureau** provides technical and administrative support services to the department's 630 FTE's, with an operating budget of $25 million and a benefits budget of $70 million, in the areas of financial management and general services. These services are provided through the bureau's seven primary functions:

Bill Paying serves vendors who have provided the department with goods and/or services.

Cash Receipting/Receivable collects and accounts for collections on SBAS and tracking the status of outstanding accounts.

Reporting serves the federal agencies who grant funds to the department as well as department managers for purposes of managing various grants.

Payroll serves the State Auditor's office by providing them with information necessary for the payroll.

Purchasing provides vendors with specifications of goods and/or services needed by department and obtains the required goods and services.

Budgeting serves all divisions by striving to obtain authority to spend revenues to carry out their particular functions. Individual budget status is monitored to reduce risk of overspending. Budgeting also serves the legislature by providing it with information needed to determine the level to which the department should be funded to provide adequate services to Montana citizens.

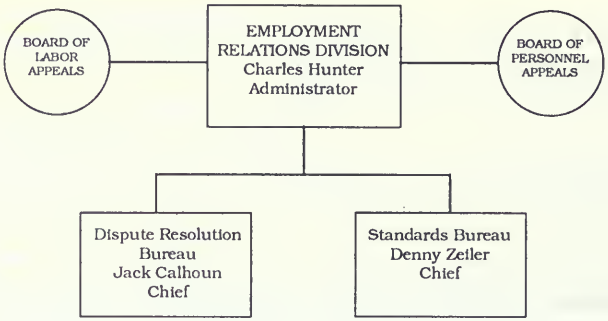
General Services provides mail, supply, duplicating and building maintenance services to entire department.

The **Personnel and Training Bureau** is responsible for developing and monitoring personnel procedures; recruiting for vacant positions and assisting in the design of applicant selection procedures; identifying training needs; reviewing and recommending classification changes; interpreting and administering collective bargaining agreements and participating in contract negotiations; developing the Affirmative Action plan; and monitoring the department-wide performance appraisal system.

Major Priorities

- Continue to anticipate, define and plan for continued computer system growth and support.
- Automation planning that will enable all divisions to make better use of resources and prepare for the future.
- Automate the capturing and input of budgets in SBAS.
- Identify where funding problems exist as a result of the reorganization in preparation for the FY 93 EPP.
- Automate the Job Service pay unit function into the State Auditor's system.
- Enhance the performance appraisal system to reflect increased quality of appraisals.
- Design and coordinate the training necessary to fully implement the total quality management (TQM) concept.

EMPLOYMENT RELATIONS DIVISION



Recent Changes

- Separation of the State Fund has resulted in database enhancements as the division gained access to new information.
- Implementation of study team recommendations resulting in reduced reporting requirements and commensurate reduction in paperwork.
- Increased automation capabilities to reduce paper flow and increase monitoring effectiveness while providing statistical information.
- Implementation of two telephone hot lines to: (1) allow ease in reporting suspected workers' compensation abuse (1-800-WC-ABUSE) and (2) provide assistance to parties to speed the processing of claims and benefits. (1-800-772-2141)

Overview

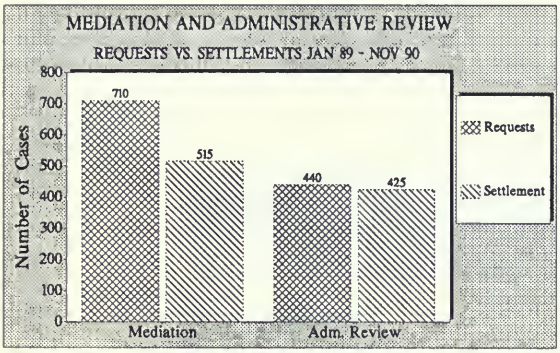
The **Employment Relations Division** provides to the department multi-faceted functions related to regulation, compliance, investigation and administration of the state's labor, wage and hour, workers' compensation and unemployment insurance regulations and laws. The division has placed considerable emphasis on enhancing procedures that attempt to mitigate dispute resolutions before formal action or contested hearings become necessary.

As a result of the creation of the State Compensation Mutual Insurance Fund by the 1989 Legislature, all regulatory functions dealing with workers' compensation were assumed by the Employment Relations Division.

The **Boards of Personnel Appeals and Labor Appeals** are attached to the division with the division administrator, and staff, providing administrative support. As it is presently structured, the division is organized into two bureaus:

The **Dispute Resolution Bureau** provides services in several distinct areas directed toward assisting organizations and individuals in arriving at early, inexpensive settlement of disputes and obligations. Individual units within the bureau deal specifically with matters relating to workers' compensation and the collective bargaining process. In some cases the bureau acts as a referral point for parties seeking fact finders and arbitrators.

The **Mediation Unit** provides assistance to private sector employers in the form of mediation of contract disputes and representation questions in



the area of collective bargaining. The goal is to resolve disputes before it is necessary to proceed to the hearings process as formal contested cases. The success of the unit in case mediations has been admirable and steadily increasing over time.

Administrative reviews are also conducted by this unit. These actions allow parties who have been adversely affected by division orders to request an informal review conference.

The **Claims Management Unit** is charged with ensuring compliance with workers' compensation and occupational disease laws as they relate to benefits and claims. The unit examiners regularly provide assistance to claimants and insurers by informing them of applicable laws and assisting them in claims processing procedures.

The **Files Management Unit** provides support services to other bureau and division units by developing and maintaining a readily accessible database and filing system used to aid examiners and others in carrying out their responsibility to claimants and insurers.

The **Rehabilitation Unit** consists of a panel that determines a return to work status for injured workers using the primary goal of returning the disabled worker to work as quickly as possible with a minimum of disruption.

The **Standards Bureau** performs functions relating to general employment obligations between employers and employees. The bureau performs primarily a regulatory and compliance role, but has increasingly expanded into a preventative role such as assisting employer queries about the Workers' Compensation Act.

The **Investigation Unit** provides an administrative forum to resolve wage claims and complaints filed by employees, regarding non payment of wages, minimum wage or overtime violations or contractual disputes.

The **Uninsured Employers Fund Unit** enforces workers' compensation coverage requirements for all employers and pays compensation and medical benefits to injured workers of uninsured employers with funds obtained through penalties and violations.

The **Policy Compliance Unit** is designed to ensure and assist employers in making the proper choice when deciding between the three types of workers' compensation plan options available. The unit reviews compliance with appropriate sections of the Workers' Compensation Act and requests and maintains required security deposits. In addition, this unit issues, denies or cancels policies and certificates of carriers and/or adjusters when necessary.

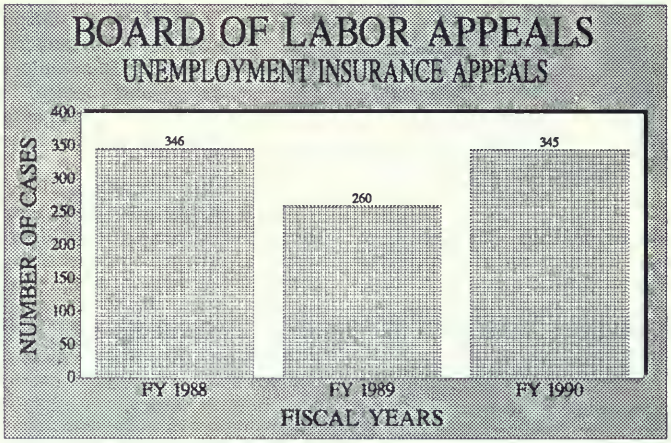
The **Medical Regulations Unit** administers a program providing effective and equitable methods of health care cost containment; methods to establish better communications and education of medical providers, insurers and claimants as related to workers' compensation, and; effective methods of dispute resolution in the injured worker impairment rating process.

The **Subsequent Injury Unit** administers funds that are designed to provide an incentive to employers to hire vocational handicapped workers. It evaluates, approves or denies requests for certification, pays claims and negotiates settlements.

The **Regulations Section** regulates attorney's fees by approving or denying attorney fee agreements with clients.

The **Board of Personnel Appeals** is a five member board that administers Montana's Collective Bargaining Act for Public Employees. It also serves an appellant function by reviewing unfair labor practice cases, representation questions, classification appeals for state government employees and grievances brought by various state agencies. As a result of recent statutory changes the Board also hears appeals brought under the State Wage Payment Act and the State Prevailing Wage Act.

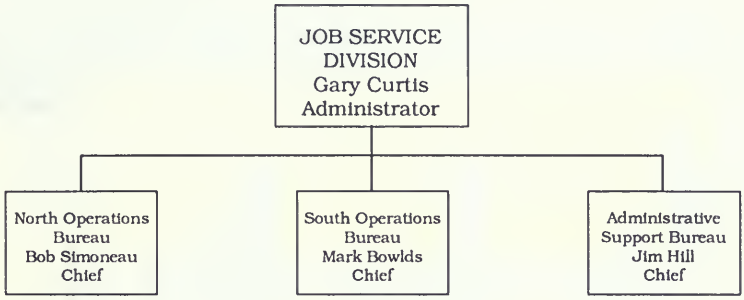
The **Board of Labor Appeals**, consisting of three members, hears appeals concerning eligibility for unemployment insurance benefits and unemployment insurance tax questions. It also determines questions of employment versus independent contractor status for purposes of unemployment insurance and workers' compensation benefits.



Major Priorities

- Develop a new database on workers' compensation policy information that interacts with claims information database.
- Automate manual processes in the Subsequent Injury Fund, Policy Compliance, Attorney Fee Regulation, Uninsured Employer Unit and the Medical Regulation Unit.
- Renegotiate extraterritorial and reciprocity agreements to assist employers.
- Establish a comprehensive fee schedule document that allows for simpler preparation and application processes to deal with rising medical costs.
- Establish effective criteria for approving workers' compensation self-insurer requests.

JOB SERVICE DIVISION



Recent Changes

- Implemented a Jobs for America's Graduates program in Montana. This program is designed to reduce school drop-out rates by preparing youth for the labor market and ensuring the completion of their high school education.
- The division received national awards for the Job Service Employer Committee (JSEC) program. The program is designed to build community bridges between management and labor.
- The division has assumed the responsibility for the Rapid Response Unit which provides services to business and dislocated workers when a business closure takes place.
- Collaborated with SRS to set up a new GA and AFDC employment training program in an effort to decrease numbers on public assistance.
- Completed an EEO and handicapped accessability review to assure access to handicapped.
- Developed and submitted a grant application to implement a joint information system to assist Montana social service programs that will interact with neighboring states.

Overview

The **Job Service Division** provides a broad range of employment and job training programs through a network of 23 community Job Service offices. It is the goal of the division to improve the functioning of the state's labor force by bringing together, and training, individuals that are seeking employment with employers that are seeking workers.

To assist the department in its delivery of employment and training services, the division is organized into three bureaus:

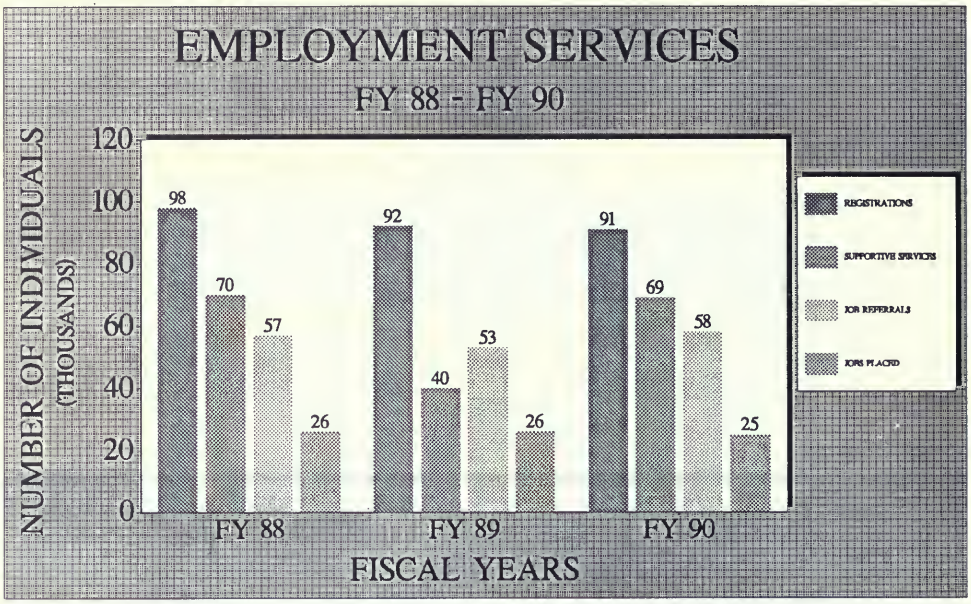
The **Administrative Support Bureau** provides the centralized support functions to the local Job Service offices and the central office division staff.

The **North Operations Bureau and South Operations Bureau** provide the management support link between the state central office and the local offices.

The Job Service Division discharges its duties and responsibilities to Montana's employees and employers through the following major programs:

Employment Services (Labor Exchange)

The basic purpose of this program is to facilitate the match between job seekers and employers. Employment services also includes a clearinghouse on potential employment opportunities. Additionally, the local offices meet the work test requirements of the state's unemployment



compensation system, as well as provide counseling, testing, and labor market information as needed by individual clients. A 1990 performance audit commended the division for its philosophy "to focus on placing applicants in the best paying permanent jobs listed in local offices."

Unemployment Compensation

Local offices take the initial claims from individuals for Unemployment Insurance (U.I.) benefits. Each claimant is registered for work and referred to jobs for which the individual is qualified. In addition, all other employment and training services at the local offices are available to U.I. benefit recipients.

Veterans Services

Special funding from the U.S. Department of Labor provides services to military veterans. The local Veteran's Employment representative and the Disabled Veteran's outreach programs are designed to ensure eligible veterans are registered in the local offices, that they are referred to counseling, and trained for suitable job openings utilizing a priority in referral to employment opportunities.

Alien Certification and Immigration Reform and Control Act

An employer wishing to employ a specific alien must list the job opening with the local Job Service office. This process is intended to ensure that domestic workers have an opportunity to be aware of the job opening and are actively recruited. All individuals hired in the U.S. must be certified as eligible to work. The local offices will verify applicants eligibility for employment if employers request the service.

Migrant and Seasonal Farm Worker Services and Housing Inspections

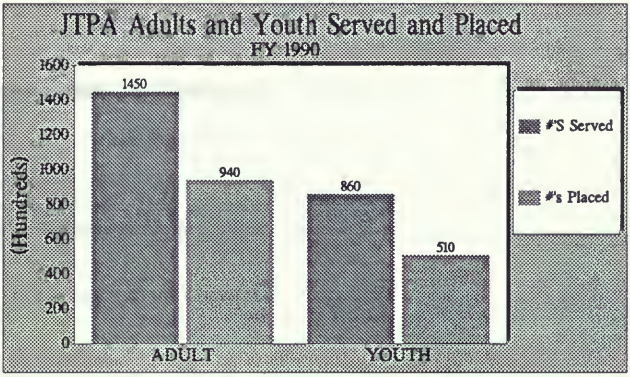
Job Service offices are required to make special efforts to serve Migrant and Seasonal Farm Workers. These special efforts include counseling, testing, job training and referral services. Each state is required to employ an advocate to ensure that this target population is receiving appropriate services. Employers requesting alien farm workers must submit their workers' housing to an inspection to ensure that the housing meets minimum federal and OSHA standards.

Federal Bonding Program

The purpose of this program is to assist hard-to-place groups such as offenders, ex-offenders, abusers of alcohol and drugs, those with poor credit ratings, and others that employers will not hire without assurance of protection against possible loss through larceny, theft, forgery and embezzlement. Fidelity bonds are issued as a form of insurance to indemnify employers from potential loss of money or property.

Job Training Partnership Act (JTPA)

The purpose of JTPA is to establish programs to prepare unskilled adults and youth for entering the labor force. This program provides job training to economically disadvantaged individuals and others facing serious barriers to employment with the ultimate goal of placing individuals in jobs at a livable wage. Specific services include: job search assistance, job counseling, basic skills training, on-the-job training and job development. *(See chart below)*



Targeted Job Tax Credit (TJTC)

This program is intended to assist economically disadvantaged and certain handicapped individuals in obtaining employment by offering employers allowable tax liability credit incentives.

Project Work Program (PWP), JOBS & Food Stamp Job Search Program

These programs are offered in cooperation with the Department of Social and Rehabilitation Services to assist able-bodied recipients of food stamps, general assistance and AFDC. Services offered include: assessment and testing, remedial education and job skill training, job search assistance and job referral.

Major Priorities

- Improve staff involvement in decision making and team management.
- Computer enhancements that allow improved self service by applicants and business.
- Develop and implement statewide access to the division computer system.
- Test the feasibility of electronic business licensing through the local Job Service offices.

LEGAL SERVICES DIVISION

Recent Changes

* Division created as a result of department-wide review and reorganization.
* Hearings functions were transferred from the Workers' Compensation Division (now the State Fund) and Employment Relations Division (ERD) to ensure integrity and independence from initial ERD decisions and to avoid potential conflicts of interest with the Boards of Personnel Appeals and Labor Appeals.
* Additional criminal and civil actions resulting from additional investigations due to the commencement of workers' compensation fraud discovery programs.
* New, additional responsibility of preparing and processing legal proceedings to recover sufficient funds to cover outstanding workers' compensation liability, the legal drain on uninsured employers fund and fraudulent acts of corporate entities and their officers.
* Defending the state's claim on self-insurers' surety bonds in U.S. Bankruptcy Court.

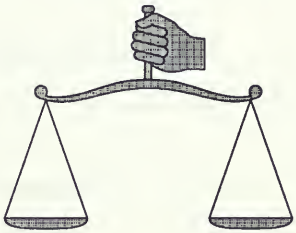
Overview

The **Legal Services Division**, through the **Legal Unit** provides services to the Commissioner and all Divisions of the Department of Labor and Industry. The division's legal assistance includes research and response to the requests for legal opinions; legal appearances before and on behalf of the Board of Personnel Appeals, the Board of Labor Appeals and the Human Rights Commission; and preparation of pleadings and legal briefs and appearances in state District Courts, Montana's Workers' Compensation Court, the Montana Supreme Court and the federal courts, including the U.S. Bankruptcy Court.

The **Hearings Unit** provides for contested case hearings to the state, the department, employers and employees throughout Montana. The primary goal of the Hearings Unit is to settle and/or determine initial disputes through an impartial hearing process. Contested case hearings are provided for matters involving unemployment insurance, wage and hour, collective bargaining, classification appeals and workers' compensation issues. *(See chart on next page)*

Hearings Unit
Cases Closed CY87 - CY90

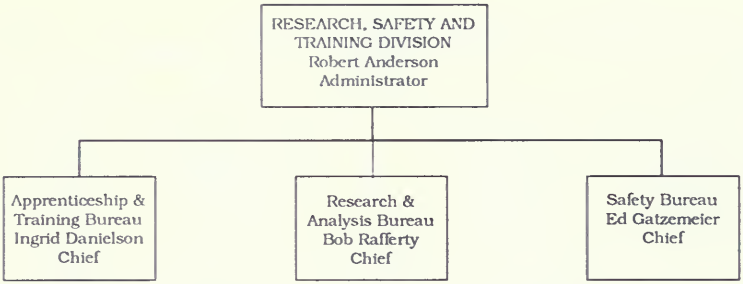
Case Type	1987	1988	1989	1990
Workers' Compensation	1	6	97	224
Collective Bargaining	49	96	64	52
Classification Appeals	11	22	28	15
Wage and Hour	127	167	129	178
Unemployment Insurance Tax	41	47	27	19
Unemployment Insurance Benefits	1160	1130	1216	1595
Total Cases Closed	1389	1468	1561	2083



Major Priorities

- Enhance knowledge and capability in the workers' compensation area.
- Enhance knowledge and capability in the bankruptcy area.
- Foster divisional dialogue that limits or mitigates the number of controversies that reach court.
- Develop a new case tracking system for daily workload monitoring.
- Streamline procedures to timely hear and decide ever-increasing caseloads.

RESEARCH, SAFETY AND TRAINING DIVISION



Recent Changes

- The division entered into an agreement with the Montana Job Training Partnership, Inc., a new private non-profit organization, that allows MJTP, Inc. to act as the administrative entity for the state's JTPA Service Delivery Areas.
- Developed a state dislocated worker unit to coordinate EDWAA activities.
- Designed and operated a new Management Information System required to track participants and measure program effectiveness.
- Developed a Rapid Response Team for early intervention in the event of plant closures and mass layoffs. Program delivery is coordinated with the local Job Service offices.
- Coordinated the selection of two sub-state areas responsible for dislocated worker training at the local level.
- The Safety Bureau and Occupational Safety and Health Unit were transferred as part of the department reorganization.

Overview

The **Research, Safety and Training Division** provides research, analysis and planning for employment activities of the state's labor force. Additionally, the division is responsible for administering job training programs and ensuring job safety. The division is organized into three bureaus:

The **Research and Analysis Bureau** serves as an economic data gathering, as well as a data disseminating agency. The bureau's primary function is to provide economic and statistical data on Montana's labor force. The bureau continually conducts surveys which provide state-specific data for our use locally and also provides state and area data to the federal government for use in preparation of national statistics. Conservatively, over 81,000 surveys are mailed out each year from the bureau, with most being mailed to employers.

The bureau is the cooperating representative for all Bureau of Labor Statistics programs. These include Current Employment Statistics, Local Area Unemployment Statistics, Occupational Employment Statistics, Employment and Wage Report, Occupational Safety and Health Statistics, Job Training Partnership Act (JTPA) Technical Assistance and the State Occupational Information Coordinating Committee (SOICC) and contracts for numerous short term projects.

The **Safety Bureau** is vested by the Montana Safety Act with the responsibility for administering the state's industrial safety laws. This involves employee safety inspections of mining operations,

work sites where steam boilers or steam equipment is operating and public entities.

The bureau's goal is to minimize employee accidents and injuries in the public sector by complying with the intent of the Montana Safety Act and to support federally funded OSHA voluntary programs in the private business sector. On-site safety consultation, training and assistance is provided with emphasis on smaller businesses. Miners are also provided with specific safety training programs.

The **Apprenticeship and Training Bureau** administers several employment and training programs including Apprenticeship, Displaced Homemakers and Job Training Partnership Act (JTPA).

Job Training Partnership Act (JTPA)

JTPA provides training opportunities for economically disadvantaged people and those with barriers to employment, such as unskilled adults, youth and dislocated workers. *(See chart below).*

	Clients	%	ProgramCosts	%
Adult	3283	29.5	$5,733,070	32.0
Youth	1958	18.0	4,025,114	22.0
Summer Youth	3750	34.0	5,936,220	33.0
Dislocated Workers	1842	17.0	1,895,816	10.5
Older Workers	159	1.0	311,258	2.0
Veterans	77	0.5	85,450	0.5
Total JTPA	11069	100.0	$17,986,928	100.0
Displaced Homemakers (State Funded)	340		$320,333	

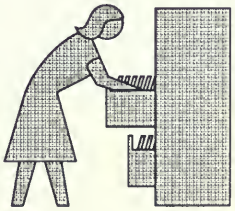
The bureau functions as the administrative entity and staff for the State Job Training Coordinating Council. In this capacity the bureau staff are responsible for preparing the Governor's Coordination and Special Services Plan and coordinating the plan with other social service agency's plans.

Displaced Homemaker Program

The bureau acts on behalf of the governor as the grant recipient and administrative entity for the Economic Dislocation and Worker Adjustment Assistance Act (EDWAA). The bureau also administers the Displaced Homemaker Program, a program intended to provide necessary counseling, training, jobs, services and health care for displaced homemakers so they can achieve independence and security.

Apprenticeship Program

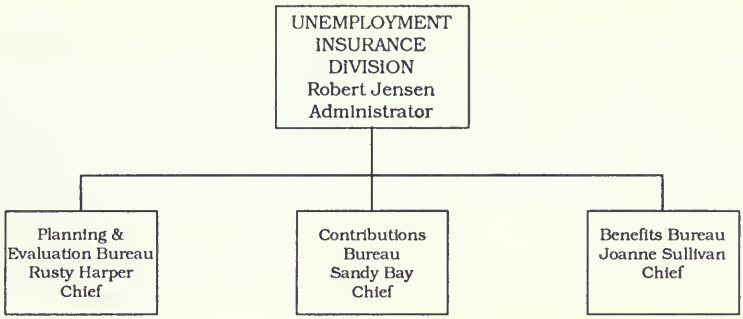
The bureau serves as the state registration agency for Apprenticeship Programs and staff for the Apprenticeship Advisory Council. The state Apprenticeship Program is a formal system of on-the-job training supplemented by related technical instruction in which the apprentice learns hands-on skills and earns wages while learning.



Major Priorities

- Provide and expand quality Labor Market information to the public.
- Network computer systems in an effort to provide more timely information that will enable the division to promote economic development and assist local governments in meeting their needs.
- Updating safety standards for public employees and miners to be consistent with the OSHA standards in place for private entities.
- Automation of the Safety Bureau's activities.
- Federal amendments demand coordination of JTPA and other social services. The division will coordinate functions, client eligibility determinations and the commensurate paperwork.
- Enhance coordination between the state and local levels in an effort to assist dislocated workers with quicker re-entry into the labor force.
- Expand training efforts through a vigorous marketing effort which will focus on non-traditional occupations in growth industries.
- Increasing the number of women and minority apprentices and developing stronger school-to-work linkage programs.

UNEMPLOYMENT INSURANCE DIVISION



Recent Changes

- Implemented a total quality management (TQM) program designed to improve service to customers and increase the quality of work.
- Provided assistance for business clinics around the state that were designed using prior employer feedback to design the clinic curriculum.
- Conducted a series of "cost of quality" studies to identify inefficiencies and unnecessary labor efforts which resulted in numerous customer service enhancements and systematic problem reductions.
- Redesigned the employer charging function and improved the detail and clarity of employer account information.
- Streamlined the process for granting employers abatement of penalty and interest.
- Improved collection services by instituting a policy of calling on all delinquencies before a billing is sent. Most accounts can now be cleared up over the phone, in a faster, simpler and friendlier manner.
- An automated notifier system has been installed which allows staff to alert claimants to problems at times outside of normal business hours.
- The Planning and Evaluation Bureau is operating as a "self-managing" team, without a bureau chief, with all management decisions performed by the team.
- The Benefits Bureau has been reduced from three sections to two and an entire management layer has been removed.
- Administrative rules have been rewritten in simpler and clearer language, with emphasis on the removal of unnecessary procedural hoops.

Overview

The **Unemployment Insurance Division** operates a program designed to provide short term economic benefits to individuals who are unemployed through no fault of their own. To achieve that goal, the division manages both unemployment benefit and contribution programs required by state and federal regulations. The division also provides technical assistance and support to local Job Service staff in regard to U.I. regulations and procedures. To facilitate the delivery of public services, the basic program components are organized into the following bureaus:

The **Benefits Bureau** is responsible for determining both who is eligible for benefits and the amount of benefits those qualified individuals should receive. Additionally, the bureau has a collection function which recovers benefits that were overpaid or were found to be obtained through fraudulent means.

The **Contributions Bureau** is responsible for collecting and accounting for unemployment taxes paid by approximately 24,000 employers. This bureau accounts for the UI trust fund (maintained in the federal treasury), assigns tax rates for individual businesses, determines the employment status of workers under the statutes and collects delinquent tax monies.

The **Planning and Evaluation Bureau** provides administrative support to the division and houses the budgeting and reporting function. Additionally, this bureau is the home of the internal quality control section, which studies the accuracy of benefit payments.

In general, Unemployment Insurance claims have trended downward since the mid-eighties, while the trust fund balance used to pay benefits has increased over the same time period. The year 1990 saw a leveling of the downward trend in benefit claims, although there was no real growth in the number of claims. Below are some significant statistics regarding the program from the past federal fiscal year end (9/30/90).

Trust Fund Balance:	$87,000,000
Claims Paid:	$38,000,000
Taxes Collected:	$37,000,000
Number of Initial Claims:	54,232
Number of Covered Employers:	24,024

Major Priorities

- Continuing the committment to total quality management with primary emphasis on superior service.
- Use cost of quality data collected to reduce costs while streamlining and improving the service delivery system.
- Investigate new automation technologies such as "imaging" to reduce paperwork.
- Through legislation seek authority to improve the claims paying process and eliminate systemic problems.
- Encourage Congress to release sufficient federal trust fund dollars to supplant grant revenues that have been reduced to states.

HUMAN RIGHTS COMMISSION

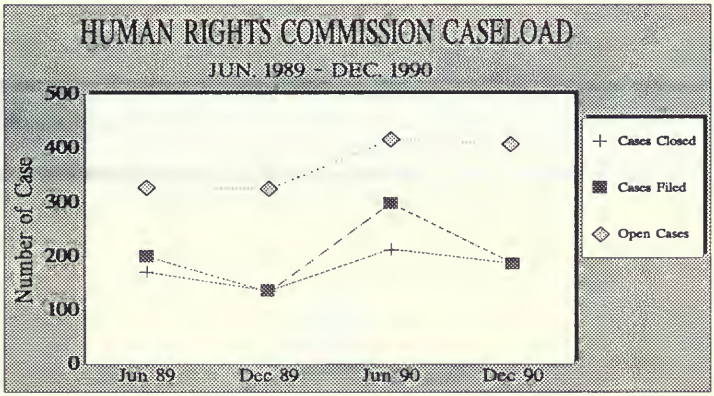
Recent Changes

- Initiated the use of quality team management (QTM) techniques to develop annual work plan.
- Implemented procedures to streamline investigations.
- Developing procedures to streamline the complaint filing process.

The **Human Rights Commission** is responsible for enforcing the Montana Human Rights Act and the Governmental Code of Fair Practices. These laws prohibit discrimination on the basis of race, creed, religion, color, national origin, age, handicap, marital status, sex, and political belief in the areas of employment, public accommodations, housing, financial and credit transactions, insurance, education and government service.

The Commission is a neutral, quasi-judicial board which is administratively attached to the Department of Labor and Industry. It has authority to adopt administrative rules to enforce the discrimination laws.

In most instances, cases filed with the Commission are resolved informally through the investigation and mediation efforts of the staff. Cases which are not resolved by the staff are either heard by the Commission or removed to district court. The Commission meets approximately six times per year to hear cases. Usually this involves hearing oral arguments based on the record established before the hearing examiner.



Major Priorities

- Develop procedures to address increasing caseload that ensure adequate public service and meets federal contract standards.
- Develop more proactive approaches to eliminating discrimination.

WORKERS' COMPENSATION COURT

Recent Changes

* Conducts petition hearings in Billings, Kalispell, Great Falls, Butte, and Missoula on a regular schedule four times a year.

* Studying the effect of direct claimant inquiries to the court without attorney representation, which are increasing.

The **Workers' Compensation Court** is primarily responsibe for the adjudication of disputes between workers and insurance carriers. The court serves as an appeal court of decisions regarding occupational disease and other workers' compensation issues for which the Department of Labor and Industry has administrative hearing responsibility.

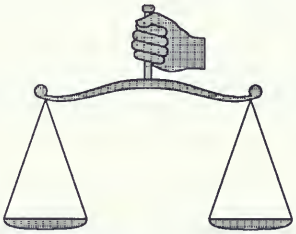
The Court also conducts trials in disputed cases regarding a determination of an impairment panel. The Workers' Compensation Court is the only court with jurisdiction in these areas.

Since January 1989, over 890 petitions and appeals have been filed by claimants and insurers with the Court. A decision by the Court can be appealed directly to the Montana Supreme Court.

The Court is a quasi-judicial board and is attached to the department for administrative purposes.

Major Priorities

- Development of procedures to deal with anticipated caseload increases resulting from the workers' compensation reorganization and other factors.



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